

DWELLING PLACE OF GRAND RAPIDS
REAL ESTATE DEVELOPMENT AND ASSET MANAGEMENT COMMITTEE
November 11, 2019
Approved December 9, 2019

MEMBERS PRESENT Juan Daniel Castro (via phone), Rich Kogelschatz, George Larimore, Mike McDaniels

MEMBERS ABSENT Mike DeVries

STAFF & GUESTS PRESENT Jessica Beeby, Chris Bennett, Kim Cross, Rebecca Long, Karen Monroe, Scott Page, Zoe Post, Steve Recker, Dennis Sturtevant, Stephen Wooden

Michael Brown, Burlington Associates (via phone)
Christine Coady, ORF (via phone)

The meeting was convened at 11:33 AM by Mr. Kogelschatz.

APPROVAL OF MINUTES **Minutes of the Dwelling Place RED & Asset Management Committee meeting of September 9, 2019 were approved by motion of Mike McDaniels, supported by George Larimore and carried unanimously.**

CLT BUDGET AND BUSINESS PLAN Michael Brown presented his draft of a business plan for the community land trust (CLT). The CLT will use Martineau Apartments as a pilot program and if the model succeeds, it may be modified to incorporate New Hope Homes, Grandville Homes, and other properties into the CLT portfolio.

Some clarifications were made concerning staffing and governance; committee members suggested altering the operating assumptions to read, “mutually appropriate” and “may” rather than “will be” to reflect the evolving nature of these areas.

The committee reviewed the proposed budget for the CLT. Considering all costs reflected in the capital needs assessments, multiple development sources, and soft costs, Dwelling Place would net an estimated \$2.7 million, approximately the cost of what is owed to the organization in long-term payables. Operating expenses will include a full-time CLT Director position, 1-2 additional staff positions, start-up costs, and other administrative/ stewardship fees. Revenue is expected from three major categories: portfolio revenue, earned fee revenue, and external fundraising.

Tasks related to building organizational capacity for the CLT include designing the CLT homeownership program, stewardship program, and community education strategy. The plan also details four ongoing functions of the CLT once it is established.

After some discussion, Mr. Sturtevant suggested gathering the committee, staff, and representatives from Huntington and ORF to research worst-case scenarios for the CLT and how to avoid them while Mr. Brown further develops the plan with staffing details and a five-year operating budget.

**HOLLAND LAND
ACQUISITION**

Several privately-owned parcels located near First United Methodist Church in Holland have been identified for acquisition in order to create a more desirable project site. Staff recommend approaching each owner with representatives from Dwelling Place and the two local churches to negotiate a purchase price and option, however, this could also be done via a third party. The committee agreed with the strategy suggested by staff. **Motion to pursue acquisition of these properties directly was made by George Larimore, seconded by Mike McDaniels, and carried unanimously.**

PROJECT UPDATES

With considerable preliminary work done for the Weston Apartments lots and \$100,000 in NeighborWork grant funding for portfolio strengthening, **the committee reached consensus to proceed with fee proposal requests from several architectural firms.**

Dwelling Place has closed Plaza Roosevelt and the Grandville and Franklin sites are under construction.

OTHER BUSINESS

Mr. Larimore presented the committee with a 132-unit, family-owned property located in Marquette, Michigan in which Dwelling Place could get involved. After some discussion, **the committee agreed to have Mr. Larimore look into the details of the project and return to the committee with a more formalized proposal.**

ADJOURNMENT

The meeting was adjourned at 1:34 PM by Mr. Kogelschatz.